



**Homeland
Security**

October 26, 2005

MEMORANDUM FOR: Scott Wells
Deputy Federal Coordinating Officer
Joint Field Office, Baton Rouge, Louisiana

Tonda L. Hadley

FROM: Tonda L. Hadley
Director, Dallas Field Office of Audits

SUBJECT: *Placement of FEMA Trailers in St. Bernard Parish*
Report Number DD-02-06

The purpose of this memorandum is to inform you of the results of our inquiries regarding the placement of 25 FEMA trailers on the property of a private business in St. Bernard Parish, Louisiana. Our focus was to investigate allegations that a major FEMA contractor had improperly altered the delivery priority of trailers to give preferential treatment to the private business. We found no evidence to substantiate the allegations.

We interviewed officials from the Louisiana Department of Economic Development, the FEMA housing strike team leader for St. Bernard Parish, and the contractor's vice president in charge of the FEMA contract. We also reviewed documents and policies regarding FEMA's providing temporary housing to private businesses and confirmed the delivery of the trailers to the private business.

We determined that the Director, Energy Cluster Development, Louisiana Department of Economic Development, established the delivery priority and authorized the FEMA contractor to place the trailers at the private business site in St. Bernard Parish. We found no evidence that the FEMA contractor attempted to alter the trailer delivery priority against the direction of the Louisiana Department of Economic Development.

We initiated this work based on allegations of potential misconduct referred to us by the Principal Federal Officer (PFO) on October 2, 2005. We discussed the results of our inquiries with the PFO on October 7, 2005, and with the State Coordinating Officer on October 13, 2005.

Because this report contains no recommendations, no further actions are required. If you have any questions concerning this report, please call me at 940-465------.

cc: Principal Federal Officer
Deputy Principal Federal Officer
Finance & Administrative Section Chief/Comptroller, Joint Field Office
Chief of Staff, Joint Field Office
Louisiana State Coordinating Officer
Louisiana State Inspector General
Louisiana Legislative Auditor